

AMENDED IN SENATE MARCH 25, 2003

SENATE BILL

No. 72

Introduced by Senator Dunn

January 21, 2003

An act to add Section 346.5 to the *Public Utilities Code*, relating to electric power.

LEGISLATIVE COUNSEL'S DIGEST

SB 72, as amended, Dunn. Independent System Operator.

Existing law requires the establishment and operation of an Independent System Operator to ensure efficient use and reliable operation of the state's electricity transmission grid consistent with certain criteria. *Existing law requires the Independent System Operator to participate in all relevant Federal Energy Regulatory Commission (FERC) proceedings.*

This bill, *except as specified*, would ~~state the intent of the Legislature in subsequent amendments to remove control of this state's electricity transmission system from the Independent System Operator~~ require the Independent System Operator, before it submits to FERC any discretionary filing proposing to amend its tariff for the purpose of changing the function, design, or purpose of the wholesale electricity market in this state, including, but not limited to computer systems upgrades, to determine that the proposed change will have a demonstrable economic benefit for ratepayers in this state. The bill would require the Independent System Operator to describe and quantify the benefit of the proposed change in a report made available to the public on its website at least 30 days before the date of the filing.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

~~SECTION 1. It is the intent of the Legislature in subsequent amendments to remove control of this state's electricity transmission system from the Independent System Operator.~~

SECTION 1. (a) *Before the Independent System Operator submits to the Federal Energy Regulatory Commission any discretionary filing proposing to amend its tariff for the purpose of changing the function, design, or purpose of the wholesale electricity market in this state, including, but not limited to, computer systems upgrades, the Independent System Operator shall determine that the proposed change will have a demonstrable economic benefit for ratepayers in this state. The Independent System Operator shall describe and quantify the benefit of the proposed change in a report which it shall make available to the public on its website at least 30 days before the date of the filing.*

(b) *This section does not apply to any filing required by the Federal Energy Regulatory Commission.*